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RUEKJCS/JOINT STAFF WASHDC IMMEDIATE

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C O N F I D E N T I A L SECTION 01 OF 03 TEGUCIGALPA 000516

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WHA/CEN

E.O. 12958: DECL: 06/29/2019

TAGS: \underline{PREL} \underline{PGOV} \underline{KJUS} \underline{EFIN} \underline{SNAR} \underline{ECON} \underline{EAID} \underline{MARR} \underline{PBTS} \underline{KDEM} , \underline{CVIS} , \underline{HO}

SUBJECT: GUIDANCE REQUEST: DEALING WITH MICHLETTI REGIME IN

HONDURAS

REF: A. TEGUCIGALPA 504

¶B. TEGUCIGALPA 505

¶C. TEGUCIGALPA 506

1D. TEGUCIGALPA 507 AND PREVIOUS

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Classified By: Ambassador Hugo Llorens, reasons 1.4 (B & D)

11. (C) Summary: Per reftels, President of the Congress Roberto Micheletti was sworn in yesterday at 14:15 local as President of Honduras. By 17:00, the Embassy had already been invited to the Congress to a celebration of the new Administration. The Embassy refused the invitation and immediately adopted a "no contact" policy with the regime. The Ambassador has also decided to cancel the Fourth of July celebration scheduled for July 2. We believe that it is important to send a strong message to the Honduran public and to the new Administration, but we also believe that some minimal contact must be continued to allow normal and emergency operations. The USG is highly involved in all levels of Honduran government and society, and our programs can be found in large cities and small towns in every department. Following we detail some of these programs and suggest what type of contact should be discontinued and/or remain intact. Post requests Department guidance on all of these matters. End Summary.

The New Regime

 $\P2$. (C) Post requests guidance on how to refer to the new acting administration. Currently, we have refrained from referring to it in any way to the media. We have instructed Emboffs to not accept any invitations from the new regime and will not send any diplomatic notes until further notice. Post requests Department guidance on how to deal with diplomatic notes received from the regime. We do not intend to revoke the visas currently held by members of the Micheletti cabinet at this time, nor those of any of the actors in the events of June 28. We recommend not accepting

applications for A,G, C3 visas for members of the Micheletti cabinet. Request Department guidance on extending this restriction to lower-level representatives going to international organizations or conferences in their official capacity, as well as with new appointees going to Honduran embassies and consulates.

Contact with the New Regime

 $\underline{\P}3.$ (C) Unit further notice, the Ambassador has ordered that all official contact with the regime be halted. This would include Micheletti and all of his newly-announced cabinet ministers, which include Gabriela Nunez as Minister of Finance, Enrique Ortez Colindres as Minister of Foreign Affairs, Adolfo Leonel Sevilla as Minister of Defense, Jorge Aguilar as head of the telecommunications company HONDUTEL, and Jorge Rodas Gamero, who was asked to remain as Minister of Security. We would like, however, to be able to receive phone calls on a limited basis from low and mid-level government officials in order to explain our position and to get information as necessary. We have instructed Embassy officials to not reach out to anyone in the current government and to take calls on a case-by-case basis. communication at higher would be for emergencies and specifically authorized by the Chief of Mission (and the Department would be informed). We have also instructed officers not/not to meet with or invite into the Embassy any members of Congress, rather to maintain contact by telephone only. We have instructed all Emboffs to avoid contact with the Honduran military, although we would like to allow them to make and receive phone calls on a limited basis in order to remain informed. We are less clear where to draw the line on government bureaucrats or technical contacts of varying

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levels. We are requesting Department guidance on this minimal level of contact.

Travel to Honduras

14. (C) As we have issued a warden message advising suspension of non-emergency travel, post has decided to suspend all temporary duty (TDY) visits until further notice. Post is also considering whether to suspend upcoming USG VIP visits, and will continue to re-evaluate the situation on a daily basis. No visits have yet been canceled. Liberal Party Presidential candidate Elvin Santos is currently scheduled to travel to Washington July 19 - 22 to meet with multiple high-level USG officials in both the Executive and Legislative branches. His delegation includes at least one of the newly-appointed cabinet ministers. This visit could serve some positive purposes, but we will re-evaluate as the date draws nearer.

On-Going Programs - Advisors, Training, and Projects

- 15. (C) USG assistance to Honduras is extensive, and our presence is felt throughout the country, from large cities to small villages. Various USG agencies have programs, ranging from advisors and training programs to humanitarian and research projects, in place around the country. We understand that the most direct and visible assistance to the acting "government" must be suspended, but request guidance on the lower-level assistance, especially on the municipal level.
- a. Treasury: Currently, we have two U.S. Department of Treasury Advisors working within the Ministry of Finance, one in the office of public credit office and one in the budget office. We have instructed them to not report to work until further notice.
- b. INL: INL has a contract with Kaseman International for a

Regional Prisons Advisor, who is in country and has commenced work, but does not yet have a security clearance and thus is not yet considered a direct-hire employee. We have instructed him to not report to work at the Corrections Facility at Tamara where he has his office, until further notice. His family is currently visiting and we will recommend that they depart the country pending developments in this situation. INL has advised that at this time, it will continue with its contractual obligations in Honduras, but it will suspend new agreements and halt the procurement of new equipment until further notice. We also have several educational programs that are coming soon, many of them to be held at the International Law Enforcement Academy in San Salvador, for police officers, judges and prosecutors. As the courses are for lower-level personnel and will greatly benefit Honduran society as a whole in the mid- and long-term, and as they do not express specific support for the current regime, we recommend that they should be continued.

- c. Federal Trade Commission (FTC): The FTC has an advisor on a four- month TDY to advise the Honduran Competition Commission on competition policy. We have advised him to not report to work until further notice.
- d. Milgroup: The Milgroup is currently in the middle of a large extended exercise entitled "Serpent King" that was scheduled to be completed on July 3. Milgroup has suspended the exercise and the final commencement ceremony pending further guidance. We have instructed Milgroup to continue its humanitarian assistance projects, which are mostly small-scale and not highly publicized, and directly benefit Honduran society without expressing support for the acting

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regime.

- e. MCC: MCC is currently reviewing the impact of the June 28 coup on its programs and reviewing various scenarios. The MCC grant funding is part of a financing operation with the Central American Bank for Economic Integration (CABEI) for construction on the CA-5 highway. The cross-deficit clauses on the CABEI loan would likely require that the nearly USD \$130 million operation be stopped, effectively halting ongoing construction on the country's main highway. The operational implications of suspension are significant because many of the operations cannot be placed on hold and resumed given the September 2010 deadline for the program.
- f. USAID: USAID has extensive programs throughout Honduras, ranging from large projects in all the major cities to small projects in rural areas and small villages and has many contractors and partners who work with governmental ministries and offices. For example, the USG funded International Foundation for Electoral Systems program assists the Supreme Electoral Tribunal (TSE) with technical assistance for the upcoming elections and even have an office located at the TSE. There are several other contractors with similar situations. USAID also has a USG-funded program with the Congress on municipal issues. Post requests Department guidance on at what level or in what types of situations is continuing assistance acceptable. We recommend maintaining implementation of our democracy and elections support programs.

Operations

16. (C) The USG gives direct assistance to two specific vetted units within the Honduran Ministry of Security, one that works with the Drug Enforcement Agency, and the other that works with Homeland Security's Office of Immigration and Customs Enforcement. The USG, through INL, gives stipends and direct support of equipment and supplies to these units. We recommend continuing the financial stipends for the time being, as the officers rely on this financial stipend to

support their families, but suspending operations until further notice. After consultation with Joint Task Force Bravo and the DEA, post is recommending suspending assistance to all counter-drug operations until further notice.

17. (C) Post recommends that we do not continue negotiations at this time on a Memorandum of Understanding related to DHS providing funds for each electronic travel document (ETD) issued by Honduran Consulates abroad. We had been in discussions with the current Vice FM for Migration Affairs and do not want to sign any agreement with her replacement. We do, however, recommend continuing working level contacts with Honduran immigration, including Immigration Director Wilfredo Alvarado, to ensure deportation flights continue unimpeded, and that we are able to send the majority of the flights to San Pedro Sula vice Tegucigalpa.

Comment

18. (C) The situation on the ground in Tegucigalpa is very fluid and tense. The Ambassador has made clear, strong statements to the press and reiterated President Obama's and the Secretary's statements. We agree that we must cut off official contact with the new "government," but request Department concurrence on the decisions we have enacted, in addition to guidance regarding some of the more "gray" areas. End Comment.

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